Public Policy Committee Board Meeting Report

3/10/22

Governor Wolf’s Budget Proposal Highlights:

* Governor Wolf presented a $43.7 billion spending plan, an increase of $6.2 billion, or 16.6 percent, over the current fiscal year.
  + PA 211 flat funded at $750,000
  + Increase Pre-K Counts by $60 million or 24.8%, and Head Start by $10 million or 14.5%
  + $77.7 million in federal funds to support increased Child Care Works base rates.
  + $44.3 million in federal funds to reduce co-payments for families enrolled in Child Care Works and $6.1 million to incentivize non-traditional child care to increase access for parents that do not have traditional work schedules.
  + Federal Maternal, Infant, and Early Childhood Home Visiting (MIECHV) Program funding includes a $15 million increase in state funds, plus another $8.7 million in federal funding, which will allow 3800 more families to receive home visiting services
  + Full UWP Budget Summary Available: <https://www.uwp.org/member/advocacy-news-hub/>
* Budget Response Regarding 211:
  + United Way of Pennsylvania and the PA 211 network are appreciative of Governor Wolf’s recommendation to continue the Commonwealth’s $750,000 annual investment in PA 211. However, PA 211 continues to experience increased need for, and use of its services. As a result, UWP and the PA 211 network are calling for a one-time investment of $4.2 million to assist with infrastructure enhancements and an increase to the annual state appropriation to $1.5 million.

State Earned Income Tax Credit Fiscal Impact Study Launch: Recap

* Full report and resources available: <https://www.uwp.org/advocacy/eitc-study/>
* Press Conference:
  + Overall, UWP hosted a successful press conference on January 28th that generated some media attention. UWP hopes to generate more this spring with a media event in May and the introduction of legislation:
    - HB 2382: <https://www.legis.state.pa.us/cfdocs/billinfo/bill_history.cfm?syear=2021&sind=0&body=H&type=B&bn=2382>
    - SB 1082: <https://www.legis.state.pa.us/cfdocs/billinfo/billinfo.cfm?syear=2021&sind=0&body=S&type=B&bn=1082>
* Fiscal Impact Study Overview:
  + The annual economic benefits of a **refundable state EITC of 10%** of the federal EITC amount to at least **$562 million per year.**
  + The annual economic benefits of a **refundable state EITC of 25%** of the federal EITC amount to at least **$1.2 billion per year.**
  + **For every $1 spent** on a state Earned Income Tax Credit by the Commonwealth, Pennsylvania receives **$4 back in economic growth and saves $3 dollars in social spending.**